

BAXTER COMPRESSOR STATION (XCEL)
GARFIELD COUNTY, CO

207a LEP - CO, BAXTER COMPRESSOR STATION, XCEL EN
CAA-08-2012-0004, SIC/NACIS# 211112

COMPLIANCE BACKGROUND
HISTORY



114680 - R8 FRED

BAXTER COMPRESSOR STATION (XCEL)
GARFIELD COUNTY, CO

FY 2011

Scan
entire
folder

8E WF-AT-TP

8ENFL Coding Sheet for FRED

Records Owner Name	Greg Bazley			
Records Schedule	<input checked="" type="checkbox"/> 207a - Disposable (Administrative case files to be kept for 10 yrs. after closure) <input type="checkbox"/> 207b - Disposable (Routine legal actions to be kept 20 yrs after closure) <input type="checkbox"/> 207c(1) - Permanent (Landmark / precedent, non-electronic to be kept forever) <input type="checkbox"/> 207c(2) - Permanent (Landmark / precedent, electronic to be kept forever) <input type="checkbox"/> 207c(3) - Permanent (Landmark / precedent, electronic transferred to National Archive where they will be kept forever)			
File Title (up to 250 characters)	Xcel-Baxter Compressor Station			
File Sub-Title (up to 250 characters)				
From Date		To Date		Close Out Date 3/27/12
Document Type	Legal			
Restriction	<input type="checkbox"/> Privileged <input checked="" type="checkbox"/> Releasable			
Medium	<input type="checkbox"/> Paper - Legal sized <input checked="" type="checkbox"/> Paper - Letter sized <input type="checkbox"/> Electronic			
Additional Information (Check if "Yes")	<input type="checkbox"/> CBI <input type="checkbox"/> PII <input type="checkbox"/> Vital Record			
Keywords / Comments	<input type="checkbox"/> Enforcement Confidential <input type="checkbox"/> Attorney-Client Privileged <input type="checkbox"/> Attorney Work Product <input type="checkbox"/> Deliberative Process <input type="checkbox"/> Other:			
Closure Confirmation	Signature <u>Andrea Reed</u> Print Name <u>Andrea Reed</u> Date <u>3/3/12</u>			



CAA-08-2012-0003 and 0004

Tina Artemis to: Greg Bazley, David Schachterle

05/18/2012 08:00 AM

From: Tina Artemis/R8/USEPA/US

To: Greg Bazley/R8/USEPA/US@EPA, David Schachterle/R8/USEPA/US@EPA

History: This message has been replied to and forwarded.

Payment has been received in full. Please let me know when this will close after the reports are received and approved by EPA.

Thank you

Tina Artemis

Paralegal/Regional Hearing Clerk
U.S. EPA - Region 8
1595 Wynkoop Street
Denver, CO 80202-1129
303-312-6765 - Telephone
303-312-6859 - Fax



1800 Larimer Street
Denver, Colorado 80202-1414

June 20, 2012

RECEIVED
JUN 20 2012
ECEJ-TEP

Greg Bazley
8ENF-AT
U.S. EPA Region 8
1595 Wynkoop Street
Denver, CO 80202-1129

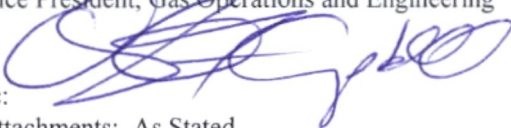
Re: Certification of Compliance for the Baxter Compressor Station
Docket No.: CAA-08-2012-004

Dear Mr. Bazley:

Enclosed is the Certification of Compliance for the Combined Complaint and Consent Agreement (CCCA) for the Public Service Company of Colorado (PSCo) Baxter Compressor Station. Please contact Gary Magno of our Environmental Policy and Services staff, at (303) 294-2177, if you have any questions regarding this certification of compliance.

Sincerely,

Cheryl F. Campbell
Vice President, Gas Operations and Engineering



cc:

Attachments: As Stated
Larry Gierhart
Gary Magno
Victor Quinonez

BAXTER COMPRESSOR STATION
CERTIFICATION OF COMPLIANCE

As required by COMBINED COMPLAINT AND CONSENT AGREEMENT, Docket No.: CAA-08-2012-0004, this document certifies that Public Service Company of Colorado (PSCo) has completed the following items at the Baxter Compressor Station:

a. "the hoses without equipment specifications used to transfer regulated substances have been removed from the Facility; and,"

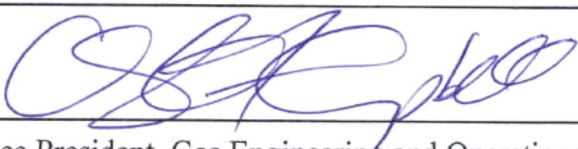
The hoses were removed from the facility during the first week of May 2011. All loading since that time has been performed using the truck driver's hoses.

b. "the shell thickness information is documented and available at the Facility for the Maloney-Crawford storage tank."

The shell thickness was determined during a tank inspection on July 11, 2011. The results of the API 510 inspection are on file at the facility. A summary of the testing inspection is attached.

24. The Certification of Compliance shall contain the date, printed name, and signature of a PSCo officer, as well as the following statement:

I certify that I am authorized to verify the completion of work on behalf of Public Service Company of Colorado. I certify, under penalty of perjury that the foregoing is true and correct. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Name of PSCo Officer:	Cheryl F. Campbell
Signature:	
Title:	Vice President, Gas Engineering and Operations
Date Signed:	6/19/12

**Baxter Compressor Station Tank Testing
Summary**



Nondestructive Examination Report

Metal & Materials Resources North

From: Michael T. Christensen

Date: 07-11-11

To: Quinn Kilty

Plant location: Baxter, CO

Subject:

API 510 formal external inspection of vessel TK-351 located in Baxter, Co.

Purpose and scope:

The purpose of this inspection was to evaluate the suitability for continued service of the vessel, make repair recommendations where needed and to satisfy jurisdictional requirements. The scope of this inspection was limited to an external examination in accordance with API 510; "Pressure Vessel Inspection code". The shell, heads, foundation, appurtenances and auxiliary equipment were examined visually along with a UT thickness survey of the heads and shell. UT thickness measurements were collected and recorded and used for corrosion rate and remaining life calculations in accordance with the applicable codes and standards.

Method:

Ultrasound: See attached UT Test Calibration Data Sheet
Visual: API 510 "Pressure Vessel Inspection Code"

Equipment Used:

Ultrasound: See attached UT Test Calibration Data Sheet
Visual: Flashlight, camera and machinist scale

Examiner(s): Michael A. Kerr – Xcel Energy
Authorized Inspector: Michael T. Christensen – Xcel Energy (API 510 #21767)

Results:

On June 29, 2011, Xcel Energy's Metals and Materials Resources Department conducted an API 510 pressure vessel inspection on vessel TK-351 located in Baxter, CO. The vessel is 6' in diameter by 20' long with a rated maximum allowable working pressure of 30 psi at 100° F. Minimal construction and design documentation was available for the evaluation of the operating integrity of this vessel; therefore, the requirements in API 510, 7.7 were used to assist in the evaluation of this vessel.

The following information was derived based on UT thickness measurements obtained during the inspection, data from the vessel name plate and the guidelines described in API 510, 7.7.

	Nominal wall	Required t	Actual Min. t	Max. Corrosion Rate	Remaining Life
Shell	0.1875"	0.122"	0.193"	0.000120 in/yr	594 yrs
Head (A)	0.250"	0.122"	0.253"	0.000065 in/yr	2009 yrs
Head (B)	0.250"	0.122"	0.260"	0.000217 in/yr	635 yrs

The following items were identified during the inspection:

- Containment berm appears to be intact; however, shoring required in some locations.

Based on the information supplied by the Examiner, API 510 and the Boiler and Pressure Vessel Code, this vessel is suitable for continued use storing its liquefied petroleum product.

Recommendations:

The following items identified during the inspection should be reviewed, evaluated and implemented (or a decision made by a responsible representative to take no further action).

- Perform an external API 510 inspection within 10 years (06-29-2021) per the recommended intervals specified in API 510, 6.6.2
- Address shoring issues of berm to ensure integrity in case of vessel failure.

Comments:

If you have any questions or concerns regarding this report feel free to contact me at 612-630-4221.

Prepared by: Michael T. Christensen

Michael T. Christensen
NDE level II UT Limited
NDE level III MT, PT, RT and VT
API 510, 570, 653 and CWI

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 WYNKOOP STREET
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

DOCKET NO.: CAA-08-2012-0004

IN THE MATTER OF:

PUBLIC SERVICE CO., OF COLORADO
(BAXTER COMPRESSOR STATION)

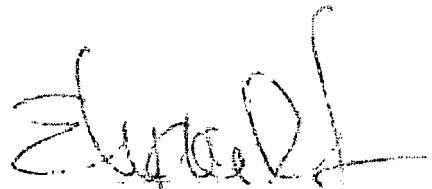
1800 Larimer Street, Suite 1400
Denver, Colorado 80202

RESPONDENT

FINAL ORDER

Pursuant to 40 C.F.R. §22.13(b) and 22.18(b)(2) and (3), of EPA's Consolidated Rules of Practice, the Consent Agreement resolving this matter is hereby approved and incorporated by reference into this Final Order. The Respondent is hereby **ORDERED** to comply with all of the terms of the Consent Agreement, effective immediately upon receipt by Respondents of this Consent Agreement and Final Order.

SO ORDERED THIS 27th DAY OF March, 2012.



Elyana R. Sutin
Regional Judicial Officer

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY 2012 MAR 27 15 2:44
REGION 8

IN THE MATTER OF:

Public Service Company of Colorado
(Baxter Compressor Station)
1800 Larimer Street, Suite 1400
Denver, Colorado 80202

Respondent

COMBINED COMPLAINT AND
CONSENT AGREEMENT

DOCKET NO.: CAA-08-2012-0004

1. This civil administrative enforcement action is issued to Public Service Company of Colorado (PSCo or Respondent) pursuant to § 113(a)(3)(B) of the Clean Air Act (CAA), 42 U.S.C. § 7413(a)(3)(B), for alleged violations of the implementing regulations associated with the "Prevention of Accidental Releases" requirements of 42 U.S.C. § 7412(r) (CAA § 112(r)(7)). This proceeding is subject to EPA's *Consolidated Rule of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation or Suspension of Permits* (Rules of Practice), 40 C.F.R. part 22.
2. The undersigned EPA officials have been properly delegated the authority to issue this action.
3. Respondent is a domestic corporation organized under the laws of Colorado.
4. 40 C.F.R. § 22.13(b) provides that where the parties agree to settle one or more causes of action before the filing of a complaint, an administrative action may be commenced and concluded simultaneously by the issuance of a Combined Complaint and Consent Agreement (CCCA).

5. The parties agree that the settling of this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.

6. Respondent consents to the terms of this CCCA, including the assessment of the civil penalty specified below.

JURISDICTION AND WAIVER OF RIGHT TO HEARING

7. Respondent admits the jurisdictional allegations in this CCCA and neither admits nor denies all remaining allegations herein.

8. Respondent waives its right to a hearing before any tribunal to contest any issues of law or fact set forth in this CCCA.

STATUTORY AND REGULATORY FRAMEWORK

9. Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), authorizes the Administrator to promulgate regulations regarding the prevention and detection of accidental releases of designated chemicals. Section 112(r)(7)(B) of the CAA, 42 U.S.C. § 7412(r)(7)(B), requires the Administrator to promulgate regulations requiring the owners or operators of stationary sources where a regulated substance is present above a threshold quantity to prepare a risk management plan to prevent or minimize risks of accidental releases of those designated substances. The regulations promulgated by EPA pursuant to CAA § 112(r)(7), are set forth in 40 C.F.R. part 68.

10. Under 40 C.F.R. § 68.3, the following definitions apply:

- a. "Stationary source" means "any buildings, structures, equipment, installations or substance emitting stationary activities which belong to the same industrial group which are located on one or more contiguous properties, which are under the control of the same person (or persons under common control) and from which an accidental release may occur".

- b. "Regulated substance" means "any substance listed pursuant to section 112(r)(3) of the Clean Air Act as amended in § 68.130". Threshold quantities for the regulated substances are included in § 68.130.
- 11. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines the term "person" to include in relevant part, an individual, corporation, or partnership.
- 12. Respondent is a person, and thus subject to regulation under CAA § 112(r).
- 13. Pursuant to CAA § 112(r)(7) the owner or operator of a stationary source at which a regulated substance is present in more than a threshold quantity is required to prepare and implement a risk management plan (RMP) to detect and prevent or minimize accidental releases of such substances.

SPECIFIC ALLEGATIONS

- 14. On April 28, 2011, an authorized representative of the EPA conducted an inspection of the Respondent's facility (Baxter Compressor Station or the Facility), located in Section 3, T8S, R104W, Garfield County, Colorado, with the consent of the Respondent, to determine compliance with CAA § 112(r)(7) and 40 C.F.R. part 68 (EPA inspection). During the EPA inspection, the EPA representative observed alleged violations of 40 C.F.R. part 68.
- 15. The alleged violations are described in paragraphs 16-20.
- 16. 40 C.F.R. § 68.48(a) provides that the owner or operator shall compile and maintain up-to-date safety information related to the regulated substances, processes, and equipment, including equipment specifications.
 - a. Equipment specifications were not available for hoses used to transfer a regulated substance.

- b. Equipment specifications were incomplete for one storage tank containing a regulated substance. The Maloney-Crawford storage tank had pressure rating information, but did not have shell thickness information available at the Facility.

17. 40 C.F.R. § 68.52(b)(7) provides that facility operating procedures shall address consequences of deviations and steps required to correct or avoid deviations.

- a. Operating procedures in the Facility's RMP did not address the consequences of deviation and steps required to correct or avoid deviations.

18. 40 C.F.R. § 68.52(b)(8) provides that operating procedures shall address equipment inspections.

- a. Operating procedures in the Facility's RMP did not reference the combination of a checklist and station log sheets that the Facility uses to govern equipment inspections and documentation.

19. 40 C.F.R. § 68.56(a) provides that the owner or operator shall prepare and implement procedures to maintain the on-going mechanical integrity of the process equipment.

- a. Maintenance procedures state that the condensate system has been maintained in accordance with the American Petroleum Institute (API) standards. At the time of the EPA inspection, API standards had not been followed for on-going mechanical integrity of the condensate system.

20. 40 C.F.R. § 68.56(d) provides that the owner or operator shall perform or cause to be performed inspections and tests on process equipment. Inspection and testing procedures shall follow recognized and generally accepted good engineering practices. The frequency of inspections and tests of process equipment shall be consistent with applicable manufacturers'

recommendations, industry standards or codes, good engineering practices and prior operating experience.

- a. At the time of the EPA inspection, inspections and tests had not been performed on two storage tanks in accordance with applicable industry standards.
- b. At the time of the EPA inspection, inspections and tests had not been performed on interconnected process piping containing a regulated substance in accordance with applicable industry standards.

PENALTY

21. This CCCA, upon incorporation into a final order, applies to and is binding upon EPA, Respondent, and Respondent's heirs, successors or assigns. Any change in ownership or corporate status of Respondent, including, but not limited to, any transfer of assets or real or personal property, shall not alter Respondent's responsibilities under this agreement. This CCCA contains all terms of the settlement agreed to by the parties. Attachment A (Collection Information) provides terms for payment including the assessment of fees and interest charges for late payments. Respondent consents and agrees to pay a civil penalty in the amount of fifty thousand dollars (\$50,000).

CERTIFICATION OF COMPLIANCE

22. As of May 11, 2011, the Baxter Compressor Station registered as a Program Level 1 facility under CAA § 112(r)(7).

23. On or before ninety days after the date of the Final Order approving this CCCA, PSCo will submit to EPA a Certification of Compliance, establishing Baxter Compressor Station's completion of the items described in subparagraphs a. and b. below. In the Certification of Compliance Respondent shall demonstrate that:

- a. the hoses without equipment specifications used to transfer regulated substances have been removed from the Facility; and,
- b. the shell thickness information is documented and available at the Facility for the Maloney-Crawford storage tank.

24. The Certification of Compliance shall contain the date, printed name, and signature of a PSCo officer, as well as the following statement:

I certify that I am authorized to verify the completion of work on behalf of Public Service Company of Colorado; I certify under penalty of perjury that the foregoing is true and correct; I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

25. The Certification of Compliance will be mailed or emailed to Greg Bazley at the following address:

Greg Bazley, 8ENF-AT
U.S. EPA Region 8
1595 Wynkoop Street
Denver, CO 80202-1129
E-mail: bazley.greg@epa.gov

OTHER TERMS

26. Nothing in this CCCA shall relieve Respondent of the duty to comply with the CAA and its implementing regulations.
27. Failure of Respondent to comply with any terms of this CCCA shall constitute a breach and may result in referral of the matter to the U.S. Department of Justice for enforcement of this agreement and such other relief as may be appropriate.
28. Nothing in the CCCA shall be construed as a waiver by the United States of its authority to seek costs or any appropriate penalty associated with any action instituted as a result of Respondent's failure to perform pursuant to the terms of this CCCA.

29. The undersigned representative of PSCo certifies that he or she is fully authorized to enter into and legally bind PSCo to the terms and conditions of the CCCA.

30. The parties agree to submit this CCCA to the Regional Judicial Officer, with a request that it be incorporated into a final order.

31. Each party shall bear its own costs and attorney fees in connection with this administrative matter.

32. Respondent agrees that the penalty shall never be claimed as a federal or other tax deduction or credit.

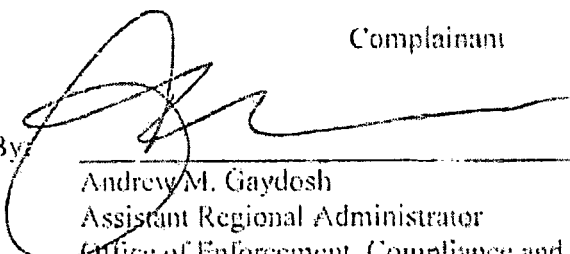
33. This CCCA, upon incorporation into a final order by the Regional Judicial Officer and full satisfaction by the parties, shall be a complete and full civil settlement of the specific violations alleged in this CCCA.

UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY, REGION 8.
Office of Enforcement, Compliance, and
Environmental Justice

Complainant

Date: 3/30/12

By:


Andrew M. Gaydos
Assistant Regional Administrator
Office of Enforcement, Compliance and
Environmental Justice

Public Service Company of Colorado

Respondent

Date: 2/29/12

By:


Cheryl F. Campbell
Vice President, Gas Engineering and Operations

COLLECTION INFORMATION

Payment shall be due on or before 30 calendar days after the date of the Final Order issued by the Regional Judicial Officer who adopts this agreement. If the due date falls on a weekend or legal Federal holiday, then the due date is the next business day. Payments must be received by 11:00 a.m. Eastern Standard Time to be considered as received that day.

In the event payment is not received by the specified due date, interest accrues from the date of the Final Order, not the due date, at a rate established by the Secretary of the Treasury pursuant to 31 U.S.C. § 3717, and will continue to accrue until payment in full is received. (That is, on the 1st late day, 30 days of interest accrues.)

In addition, a handling charge of fifteen dollars (\$15) shall be assessed the 61st day from the date of the Final Order, and each subsequent thirty-day period that the debt, or any portion thereof, remains unpaid. In addition, a six percent (6%) per annum penalty shall be assessed on any unpaid principal amount if payment is not received within 90 days of the due date (that is, the 121st day from the date the Final Order is signed). Payments are first applied to handling charges, 6% penalty interest, and late interest; then any balance is applied to the outstanding principal amount.

The payment shall be made by remitting a cashier's or certified check, including the name and docket number of this case, for the amount, payable to "Treasurer, United States of America," (or be paid by one of the other methods listed below) and sent as follows:

CHECK PAYMENTS:

US Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979077
St. Louis, MO 63197-9000

WIRE TRANSFERS:

Wire transfers should be directed to the Federal Reserve Bank of New York

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York NY 10045
Field Tag 4200 of the Fedwire message should read "D 68010727 Environmental Protection Agency"

OVERNIGHT MAIL:

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2CL
St. Louis, MO 63101

Contact: Natalie Pearson
314-418-4087

ACH (also known as REX or remittance express)

Automated Clearinghouse (ACH) for receiving US currency
PNC Bank
808 17th Street, NW
Washington, DC 20074
Contact - Jesse White 301-887-6548
ABA = 051036706
Transaction Code 22 - checking
Environmental Protection Agency
Account 310006
CTX Format

ON LINE PAYMENT:

There is now an On Line Payment Option, available through the Dept. of Treasury.
This payment option can be accessed from the information below:

WWW.PAY.GOV
Enter sfo 1.1 in the search field

Open form and complete required fields.

CERTIFICATE OF SERVICE

The undersigned certifies that the original of the attached **COMBINED COMPLAINT CONSENT AGREEMENT** in the matter of **PUBLIC SERVICE CO., OF COLORADO (BAXTER COMPRESSOR STATION)**; **DOCKET NO.: CAA-08-2012-0004** was filed with the Regional Hearing Clerk on March 27, 2012.

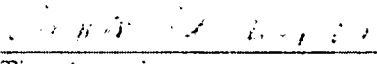
Further, the undersigned certifies that a true and correct copy of the documents were delivered to David Rochlin, Senior Enforcement Attorney, U. S. EPA – Region 8, 1595 Wynkoop Street, Denver, CO 80202-1129. True and correct copies of the aforementioned documents were placed in the United States mail certified/return receipt requested on March 27, 2012.

Cheryl F. Campbell
Public Service Co. of Colorado
1800 Larimer Street, Suite 1400
Denver, CO 80202

E-mailed to:

Elizabeth Whitsel
U. S. Environmental Protection Agency
Cincinnati Finance Center
26 W. Martin Luther King Drive (MS-0002)
Cincinnati, Ohio 45268

March 27, 2012



Tina Artemis
Paralegal/Regional Hearing Clerk



Printed on Recycled Paper



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

Ref: 8ENF-AT

JUN 9 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert King
Environmental Analyst
Xcel Energy
1800 Larimer Street, Suite 1300
Denver, Colorado 80202-1414

Re: Opportunity to Confer in Xcel Energy --
Baxter Compressor Station

Dear Mr. King:

On April 28, 2011, a Clean Air Act (CAA) 112(r) Risk Management Plan inspection was conducted at the Baxter Compressor Station located at Sect. 3, T8S, R104W in Garfield County, Colorado. The inspection revealed violations of section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r), and regulations promulgated at 40 CFR Part 68. Such violations are subject to an enforcement action pursuant to Section 113 of the CAA, 42 U.S.C. § 7413, which provides for the assessment of penalties, and/or the initiation of civil judicial action for the collection of penalties.

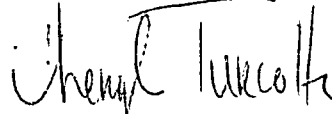
EPA is planning to issue an Administrative Complaint to Xcel Energy based on the alleged violations. Prior to the issuance of an Administrative Complaint to your company, EPA is, by this letter, giving you an opportunity to present any relevant information in reference to these allegations. A worksheet listing the alleged violations follows this correspondence.

EPA hereby requests that you or your representative participate in a discussion to show cause why EPA should not institute administrative proceedings to assess penalties or for you to otherwise comment or provide additional information. Our discussion will also provide the forum to answer any questions you may have regarding the enforcement process and how we can proceed to resolve this matter. This meeting will be held on **Thursday, July 7, 2011 at 10:00 a.m. M.S.T. in the EPA Region 8 Conference Center**. As an alternative, this meeting can be conducted as a conference call.

Please let us know which meeting type you prefer and who will be attending. An agenda is enclosed to provide an understanding of the discussion that will take place during the meeting. (Be advised that a meeting regarding alleged violations at the Rifle Gas Plant has been scheduled for the same date and time. Let us know if it would be preferable to hold a separate discussion regarding the findings at the Baxter Compressor Station so that we may plan accordingly.)

Please call David Cobb at 303-312-6592 or email him at cobb.david@epa.gov, regarding who will be representing Xcel Energy at this meeting. If the meeting date and time specified above is not workable, please contact David as soon as possible to make alternative arrangements.

Sincerely,

A handwritten signature in black ink, appearing to read "Cheryl Turcotte". The signature is fluid and cursive, with a horizontal line above the last name.

Cheryl A. Turcotte
Chief, Toxics Enforcement Program
Technical Enforcement Program

AGENDA

Xcel Energy
Thursday, July 7, 2011 at 10:00 a.m.
EPA Region 8

- The purpose of scheduling the Opportunity to Confer meeting
- The Administrative enforcement process used by EPA
- Addressing any outstanding questions re: the violation(s)
- Combined Enforcement Policy for CAA 112(r)(7) and proposed penalties for this case
- Possible reductions under Adjustments to the Gravity Component
(degree of cooperation, compliance, willingness to settle)
- Supplemental Environmental Projects (if applicable)
- Closure of the meeting
 - Follow-up items identified during the discussion
 - Time-line for the next steps

Directions to EPA Region 8 Conference Center:

The meeting will be held in the EPA office which is located at 1595 Wynkoop Street in downtown Denver. The office is located just south of Union Station.

Parking: Several parking options are available. The most economical option is the metered parking which is offered throughout the downtown area. There is also paid parking in the Union Station parking areas.

Once you check in with the receptionist she will notify the appropriate EPA representative of your arrival and someone will then meet you in the lobby to direct you to the correct conference room.



Worksheet of Proposed Violations
Baxter Compressor Station

CAA 112(r)7 RMP:

1. **Requirement found at Subpart C – Prevention Program – Safety Information [68.48(a)(4)]:** The owner or operator shall compile and maintain the following up-to-date safety information related to the regulated substances, processes, and equipment, including equipment specifications.
 - Equipment specifications were not available for the hoses used to transport NGLs.
 - Equipment specifications were not available for NGL storage tanks.
2. **Requirement found at Subpart C – Prevention Program – Operating Procedures [68.52(b)(7)]:** Operating procedures shall address consequences of deviations and steps required to correct or avoid deviations.
 - Operating procedures did not address consequences of deviations and steps required to correct or avoid deviations.
3. **Requirement found at Subpart C – Prevention Program – Operating Procedures [68.52(b)(8)]:** Operating procedures shall address equipment inspections.
 - Operating procedures did not address equipment inspections.
4. **Requirement found at Subpart C – Prevention Program – Operating Procedures [68.52(c)]:** The owner or operator shall ensure that the operating procedures are updated, if necessary, whenever a major change occurs and prior to start-up of the changed process.
 - Operating procedures were not updated when a vapor recovery line was added to the covered process.
5. **Requirement found at Subpart C – Prevention Program – Maintenance [68.56(a)]:** The owner or operator shall prepare and implement procedures to maintain the on-going mechanical integrity of the process equipment. The owner or operator may use procedures or instructions provided by covered process equipment vendors or procedures in Federal or state regulations or industry codes as the basis for stationary source maintenance procedures.
 - Written procedures were not available to maintain the on-going integrity of the process equipment.
6. **Requirement found at Subpart C – Prevention Program – Maintenance [68.56(d)]:** The owner or operator shall perform or cause to be performed inspections and tests on process equipment. Inspection and testing procedures shall follow recognized and generally accepted good engineering practices. The frequency of

inspection and tests of process equipment shall be consistent with applicable manufacturer's recommendation, industry standards or codes, good engineering practices, and prior operating experience.

- Inspections and testing were not performed on the pressure vessels and associated piping.
- Documentation of inspection and testing of the pressure relief valves was also unavailable.

Recommendation:

1. Evaluate whether or not the Baxter qualifies for the Normally Unoccupied Remote Facility (NURF) PSM exemption based on the OSHA Standard Interpretations found at: http://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=INTERPRETATIONS&p_id=25058
 - a. Based on information provided during the inspection, an employee is normally present at Baxter Compressor Station.

The proposed penalty amount for the violations will be calculated using the Combined Enforcement Policy for CAA Section 112(r) Risk Management Program which is found at the following link:

<http://epa.gov/compliance/resources/policies/civil/caa/stationary/caa112r-enfpol.pdf>

7009 3410 0000 2597 3642

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 Environmental Analyst
 Xcel Energy
 1800 Larimer Street, Suite 1300
 Denver, CO 80202-1414

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Robert King
 Environmental Analyst
 Xcel Energy
 1800 Larimer Street, Suite 1300
 Denver, CO 80202-1414

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CAA § 112(r) AND EPCRA § 312

INSPECTION REPORT

Baxter Compressor Station

Garfield County, Colorado

Facility Name and Address: Baxter Compressor Station Sect. 3, T8S, R104W Garfield County, Colorado 81525 Mailing Address: 4653 Table Mountain Drive Golden, Colorado 80403 Telephone: 720-497-2114 Program Level: 2	Date of Inspection: 4/28/11 EPA ID #: COO001038694 TRI #: n/a RMP #: 1000 0001 9641 SIC/NACIS: 211112 # Employees this location: unmanned
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INTRODUCTION AND BACKGROUND

This report presents the findings of the Clean Air Act (CAA) 112(r) and Emergency Planning and Community Right-to-Know Act (EPCRA) 312 inspection conducted by Greg Bazley on April 28, 2011 at the Baxter Compressor Station (Baxter) in Garfield County, Colorado. The purpose of this inspection was to determine compliance with the Risk Management Program (RMP) Requirements as required by CAA 112(r)(7) and the Inventory Reporting Requirements as required by EPCRA 312. The inspection was announced by certified prior to the inspection.

FACILITY DESCRIPTION

Baxter, owned by Xcel Energy, Inc., processes 2-6 mmscf/day of natural gas from the Dakota formation in Western Colorado. Baxter provides compression, dehydration, and natural gas liquid (NGL) recovery to the incoming natural gas stream. The natural gas that has been treated is supplied to the city of Grand Junction. The NGLs removed from the natural gas stream are stored in two storage tanks and then shipped out by truck to be further processed into gasoline and other end products. The two storage tanks have volumes of 10,800 and 4,500 gallons. The larger storage tank is supplied from the JT skid and the smaller tank is supplied by the three-phase separator at the inlet of the plant.

Baxter is considered an unmanned facility. There are six total operators that can perform tasks at the facility. The Lower Valley Fire District would respond in the event of a release.

INSPECTION AND RECORDS REVIEW

Inspector(s):

Greg Bazley, EPA – Region VIII

Persons Interviewed:

Bob King, Environmental Analyst

Glenn, Operator

A facility tour was conducted including the two NGL storage tanks and the loading rack. After the tour a document review was conducted in the Baxter office.

The process chemical(s) are listed below:

Chemical Name	Quantity (lbs.)
Flammable mixture chemical components	77,681

ENFORCEMENT HISTORY

- No prior enforcement history

INSPECTION FINDINGS

RMP - CAA 112(r)7:

1. **Requirement found at Subpart C – Prevention Program – Safety Information [68.48(a)(4)]:** The owner or operator shall compile and maintain the following up-to-date safety information related to the regulated substances, processes, and equipment, including equipment specifications.

EPA's General RMP Guidance: **Equipment Specifications.** You must document any equipment you use to store, repackage, or move regulated substances. Equipment specifications will usually include information on the materials of construction, actual design, and tolerances. The vendor should be able to provide this information; you may have the specification in your files from the time of purchase. You are not expected to develop engineering drawings of your equipment to meet this requirement.

- *Equipment specifications were not available for the hoses used to transport NGLs.*
- *Equipment specifications were not available for the two storage tanks. Baxter personnel indicated that equipment specifications may be located at Xcel's engineering office located in Denver, Colorado.*

2. **Requirement found at Subpart C – Prevention Program – Operating Procedures [68.52(b)(7)]:** Operating procedures shall address consequences of deviations and steps required to correct or avoid deviations.
 - *Operating procedures did not address consequences of deviations and steps required to correct or avoid deviations.*
3. **Requirement found at Subpart C – Prevention Program – Operating Procedures [68.52(b)(8)]:** Operating procedures shall address equipment inspections.
 - *Operating procedures did not address equipment inspections.*
4. **Requirement found at Subpart C – Prevention Program – Operating Procedures [68.52(c)]:** The owner or operator shall ensure that the operating procedures are updated, if necessary, whenever a major change occurs and prior to start-up of the changed process.
 - *Operating procedures were not updated when a vapor recovery line was added to the covered process.*
5. **Requirement found at Subpart C – Prevention Program – Maintenance [68.56(a)]:** The owner or operator shall prepare and implement procedures to maintain the on-going mechanical integrity of the process equipment. The owner or operator may use procedures or instructions provided by covered process equipment vendors or procedures in Federal or state regulator or industry codes as the basis for stationary source maintenance procedures.
 - *Written procedures were not available to maintain the on-going integrity of the process equipment.*
6. **Requirement found at Subpart C – Prevention Program – Maintenance [68.56(d)]:** The owner or operator shall perform or cause to be performed inspections and tests on process equipment. Inspection and testing procedures shall follow recognized and generally accepted good engineering practices. The frequency of inspection and tests of process equipment shall be consistent with applicable manufacturer's recommendation, industry standards or codes, good engineering practices, and prior operating experience.
 - *Inspections and testing was not performed on the pressure vessels and associated piping. Documentation of inspection and testing of the pressure relief valves was also unavailable.*

Recommendations:

1. Evaluate whether or not the Baxter qualifies for the Normally Unoccupied Remote Facility (NURF) PSM exemption based on the OSHA Standard Interpretations found at:

http://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=INTERPRETATIONS&p_id=25058

- a. Based on information provided during the inspection, an employee is normally present at the Baxter.
- b. 1910.119(b) — "Normally unoccupied remote facility" means a facility which is operated, maintained or serviced by employees who visit the facility only periodically to check its operation and to perform necessary operating or maintenance tasks. No employees are permanently stationed at the facility. Facilities meeting this definition are not contiguous with, and must be geographically remote from all other buildings, processes, or persons.

Tier II - EPCRA 312:

No violations were found during the inspection

Form R/A – EPCRA 313:

Not applicable

Greg Bazley, EPA Inspector
EPCRA/CAA 112(r) Enforcement Program

Attachments:

1. Notice of Inspection
2. Plant through-put numbers
3. Inspection notes

4/28/11 Baxter Compressor Station

①
ownership
~ 1983

3 phase separator $\begin{cases} \text{gas} \\ \text{low cal liquid} \\ \text{water} \end{cases}$

gas comes in goes through compressors
dehydration

JT skid \rightarrow drops liquids out

~~BSA~~
~ 3-4 million (pressure drop)

condenser control
on reboiler
system

^{liquids} Tank 1 ~ 10,800 gallons from JT skid
~ 30 lbs

Tank 2 ~ 4,500 gallons from 3 phase separator

Asbury ~~Asbury~~

Gas \rightarrow feeds grand junction and storage field
north of

required to keep low BTU < 1000 Btu

OS

because most appliances are
built to this and don't want
burn out

Glenn main operator and 5 others could
work on the plant

Program II
considered unmanned

- Check to Garfield County
see if other
facility is listed
in RMP

other facility pulled out
about a year ago

other tanks were LPGs

ETC might be owners

No PSV testing record

No written MI procedures

Fisher 289 Series Relief Valve

Recommendation: Risk Ranking matrix was
utilized

MSDS Natural Gasoline - ?

Safety Info Tanks 30 PSI @ 100F

No hose information or change outs

very operating procedures for product loading
didn't update when vapor recovery
line was

↑ checked ESD procedures

procedures don't

Rifle had vapor recovery - procedures were for
rifle

- drawing 3 specs for tanks

4 years apprentices program

Lower Valley Fire District

Annual operating qualification

CP

Tank specs not here - could be in engineering
office in Denver

Bob looking in to "why or why not" they
are doing certain things

no MI on tanks or piping



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
1595 Wynkoop Street
Denver, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

Ref: 8ENF-AT

APR 12 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Larry Gierhart
Manager of Gas Operations
Baxter Compressor Station
4653 Table Mountain Drive
Golden, CO 80403

Re : Clean Air Act (CAA) § 112(r)7 Risk Management Plan (RMP)
and Emergency Planning and Community Right-to-Know Act
(EPCRA)

Dear Mr. Gierhart:

The U.S. Environmental Protection Agency (EPA) will conduct a compliance review at the Baxter Compressor Station Facility, located in Garfield County, Colorado (Section 3, T8S, R104W) on April 28, 2011. Compliance with the CAA § 112(r) program and EPCRA will be evaluated.

Greg Bazley, an EPA inspector, will arrive at the Baxter Compressor Station Facility on Thursday, April 28 at 9:00 A.M. After check-in and a brief opening meeting, EPA will begin the inspection. During the opening meeting, the inspection process will be explained. It would be appreciated if you would give a briefing relating to the site operations and then provide an opportunity for a visual inspection of the facility.

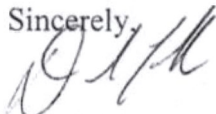
A records' review will be conducted as part of the compliance assessment at your location. It will be helpful and time-saving if you would gather and have available the information listed below for review:

1. Data supporting:
 - a. Risk Management Plan submission
 - i. Management Policies
 - ii. Process Safety Information; P&ID, Materials of Construction, safe limits, et al.
 - iii. Operating Procedures
 - iv. Training records
 - v. Original Process Hazard Analysis and last update or revalidation
 - vi. Mechanical Integrity, policy and records

- b. Release mitigation and emergency response program
2. Material Safety Data Sheets (MSDS's) for the hazardous chemicals stored on site. Consumer products (e.g. cleaning supplies in consumer sized containers, etc) do not need to be included.
3. If applicable, copies of EPCRA § 312 Tier II Chemical Inventory reports provided to your designated State, local agencies and fire department over the past two years.
4. If applicable, rough estimates of the amounts of the large volume chemicals that are moved through the facility on an annual basis.

It is anticipated that the inspection will take 3-4 hours. Please note that § 112(r)(6)(L) of the CAA provides facility employees the right to be involved in workplace inspections. To meet this requirement, please post this notice in a visible area and, if applicable, notify the employee representative(s) of this inspection. Should you or any employees have any questions prior to this inspection, please contact Greg Bazley at 303-312-6255.

Sincerely,



David Cobb
EPCRA/CAA 112(r) Enforcement Coordinator
Technical Enforcement Program

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<p>1. Article Addressed to: APR 12 2011</p> <p>Larry Gierhart Manager of Gas Operations Baxter Compressor Station 4653 Table Mountain Drive Golden, CO 80403</p> <p style="text-align: right;"><i>h</i></p>		<p>B. Received by (Printed Name) <i>SAL Ramirez</i></p> <p>C. Date of Delivery <i>4/13</i></p>	
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